



# Louisiana Housing Finance Agency

The following resolution was offered by Commissioner Guy T. Williams and seconded by Commissioner Jerome Boykin, Sr.:

## RESOLUTION

**A resolution authorizing and directing staff to assess a ten (10) point reduction on all Low Income Housing Tax Credit applications for the 2011 Funding Round for developers 1) not voluntarily returning GO Zone credits by March 1<sup>st</sup>, 2011 via written certified mail to the Agency, and 2) their failure to accomplish a verifiable financial closing (as demonstrated by a draw/disbursement) by March 31, 2011; and providing for other matters in connection therewith.**

**WHEREAS**, the Louisiana Housing Finance Agency (the "Agency") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in allocating and administering programs and/or resources made available pursuant to the Section 42 of the Internal Revenue Code (the LIHTC Program); and

**WHEREAS**, the Agency desires to authorize and direct staff and tax credit counsel to incorporate into the 2011 QAP negative ten (10) points in the 2011 Funding Round for developers of GO Zone projects who have wasted Agency resources, which is defined as not voluntarily returning GO Zone Credits by March 1, 2011, via written certified mail to the Agency, and failure to accomplish a verifiable financial closing, as demonstrated by a draw/disbursement, result in a ten (10) point deduction from any Low Income Housing Tax Credit (LIHTC) application submitted by the developer during the next three (3) consecutive LIHTC Funding Rounds; and

**WHEREAS**, wasted Agency resources is defined as failure by the developer to return credits that cannot be utilized by the project by March 1, 2011 and failure of the project to meet the March 31, 2011 closing deadline; and

**WHEREAS**, the Agency desires to authorize and direct staff and tax credit counsel to determine which projects are within the definition established for wasted Agency resources and to notify such developers of being in the aforementioned category and allowing the developer five (5) days from date of notice to provide reason why the point reduction should not be assessed.

**NOW THEREFORE BE IT RESOLVED** by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

**SECTION 1.** Staff is directed to incorporate into the 2011 QAP negative ten (10) points in the 2011 LIHTC Funding Round on developers of GO Zone projects who have failed to notify staff not less than thirty (30) days prior to March 31, 2011 that their GO Zone Credit Allocation will not be used.

**SECTION 2.** The Agency's staff and Tax Credit Counsel shall establish such procedures and documentation as may be necessary to notify developers at risk of not using GO Zone Credits by March 31, 2011 that it intends that the 2011 QAP will incorporate negative ten (10) points on developers failing to notify the Agency by March 1, 2011 that their GO Zone Credits are being voluntarily returned so that the Agency may reallocate such GO Zone Credits to other developments that may use such GO Zone Credits.

**SECTION 3.** The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution.

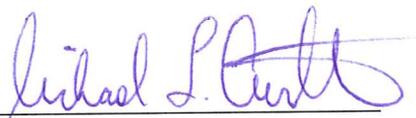
This resolution having been submitted to a vote, the vote thereon was as follows:

**YEAS:** Michael L. Airhart, John N. Kennedy, Guy T. Williams, Mayson H. Foster, Donald B. Vallee, Adena R. Boris, Joseph M. Scontrino, III, Katie Anderson, Jerome Boykin, Sr., Neal P. Miller, Frank H. Thaxton, III

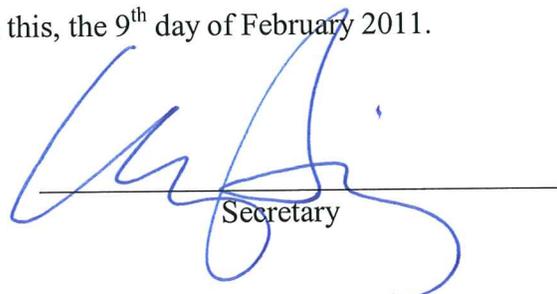
**NAYS:** N/A

**ABSENT:** Allison A. Jones, Elsenia Young, Tyrone A. Wilson

And the resolution was declared adopted on this, the 9<sup>th</sup> day of February 2011.



Chairman



Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing two (2) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on February 9, 2011, entitled: "A resolution authorizing and directing staff to assess a ten (10) point reduction on all Low Income Housing Tax Credit applications for the 2011 Funding Round for developers 1) not voluntarily returning GO Zone credits by March 1<sup>st</sup>, 2011 via written certified mail to the Agency, and 2) their failure to accomplish a verifiable financial closing (as demonstrated by a draw/disbursement) by March 31, 2011; and providing for other matters in connection therewith."

**IN FAITH WHEREOF**, witness my official signature and the impress of the official seal of the Agency on this, the 9<sup>th</sup> day of February, 2011.



Secretary

(SEAL)